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Pomerantz Law Firm Announces the Filing of a Class Action against Correction Corporation of America and Certain Officers – CXW

NEW YORK, Aug. 23, 2016 (GLOBE NEWSWIRE) -- Pomerantz LLP announces that a class action lawsuit has been filed against Correction Corporation of America (“CCA” or the “Company”) (NYSE:[CXW](#)) and certain of its officers. The class action, filed in United States District Court, Middle District of Tennessee, is on behalf of a class consisting of all persons or entities who purchased or otherwise acquired CCA securities between February 27, 2012 and August 17, 2016 both dates inclusive (the “Class Period”). This class action seeks to recover damages against Defendants for alleged violations of the federal securities laws under the Securities Exchange Act of 1934 (the “Exchange Act”).

If you are a shareholder who purchased CCA securities during the Class Period, you have until October 24, 2016 to ask the Court to appoint you as Lead Plaintiff for the class. A copy of the Complaint can be obtained at www.pomerantzlaw.com. To discuss this action, contact Robert S. Willoughby at rswilloughby@pomlaw.com or 888.476.6529 (or 888.4-POMLAW), toll free, ext. 9980. Those who inquire by e-mail are encouraged to include their mailing address, telephone number, and number of shares purchased.

[\[Click here to join this class action\]](#)

CCA, together with its subsidiaries, owns and operates privatized correctional and detention facilities in the United States. The Company owns, operates, and manages prisons and other correctional facilities, and provides inmate residential and prisoner transportation services for governmental agencies. As of 2015, CCA was the largest private corrections company in the United States, and manages more than 65 correction and detention facilities in 19 states and the District of Columbia.

The Complaint alleges that throughout the Class Period, Defendants made materially false and misleading statements regarding the Company’s business, operational and compliance policies. Specifically, Defendants made false and/or misleading statements and/or failed to disclose that: (i) CCA’s facilities lacked adequate safety and security standards and were less efficient at offering correctional services than the Federal Bureau of Prisons’ (“BOP”) facilities; (ii) CCA’s rehabilitative services for inmates were less effective than those provided by BOP; (iii) consequently, the U.S. Department of Justice (“DOJ”) was unlikely to renew and/or extend its contracts with CCA; and (iv) as a result of the foregoing, CCA’s public statements were materially false and misleading at all relevant times.

On August 18, 2016, Deputy Attorney General Sally Yates announced the DOJ’s decision to end its use of private prisons, including those operated by CCA, after officials concluded that the facilities are both less safe and less effective at providing correctional services than those run by the federal government.

On this news, CCA’s share price fell \$9.65, or 39.45%, to close at \$17.57 on August 18, 2016.

The Pomerantz Firm, with offices in New York, Chicago, Florida, and Los Angeles, is acknowledged as one of the premier firms in the areas of corporate, securities, and antitrust class litigation. Founded by the late Abraham L. Pomerantz, known as the dean of the class action bar, the Pomerantz Firm pioneered the field of securities class actions. Today, more than 80 years later, the Pomerantz Firm continues in the tradition he established, fighting for the rights of the victims of securities fraud, breaches of fiduciary duty, and corporate misconduct. The Firm has recovered numerous multimillion-dollar damages awards on behalf of class members. See www.pomerantzlaw.com

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